

Application of San Diego Gas & Electric Company (U 902 E) for Approval of Energy Storage and Energy Efficiency Contracts Arising from the Track IV Local Capacity Requirement All Source Request for Offers

Application 16-03-014 (Filed March 30, 2016)

# SAN DIEGO GAS & ELECTRIC COMPANY'S (U 902-E) RULE 3.2 (e) PROOF OF COMPLIANCE AND REQUEST TO FILE PROOF ONE DAY LATE

John A. Pacheco

Attorney for: San Diego Gas & Electric Company 8330 Century Park, CP 32 San Diego, California 92123 Telephone: (858) 654-1761

Facsimile: (619) 699-5027 E-mail: JPacheco@sempra.com

Application of San Diego Gas & Electric Company (U 902 E) for Approval of Energy Storage and Energy Efficiency Contracts Arising from the Track IV Local Capacity Requirement All Source Request for Offers

Application 16-03-014 (Filed March 30, 2016)

# SAN DIEGO GAS & ELECTRIC COMPANY'S (U 902-E) RULE 3.2 (e) PROOF OF COMPLIANCE AND REQUEST TO FILE PROOF ONE DAY LATE

Pursuant to Rule 3.2 (e) of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), San Diego Gas & Electric Company ("SDG&E") hereby submits Attachments A, B and C as proof of compliance with Rule 3.2(b), (c) and (d) as it relates to Application ("A.") 14-01-027. Note that Application A.16-03-014 was filed on March 30, 2016. SDG&E's compliance was as follows:

- Pursuant to Rule 3.2 (b), within 20 days after filing, SDG&E served notice to various state, county, city and other entities stating in general terms the proposed increases in rates that are the subject of A.16-03-014. Attachment A constitutes proof of such notice.
- Pursuant to Rule 3.2(c), within 20 days after filing, SDG&E published in several newspapers of general circulation (the San Diego Union Tribune, San Diego Union Tribune-North County, and Orange County Register) notice, in general terms, of the proposed increase in rates that is the subject of A.16-03-014. Attachment B constitutes proof of such notice. Consistent with the newspaper notices, Attachment B also includes copies of verifications that A.16-03-014 was made available at each of SDG&E's business offices.
- Pursuant to Rule 3.2(d), within 45 days after filing, SDG&E served its
  customers with a bill insert notice of A.16-03-014, describing, among other
  things, its potential rate impact. Attachment C constitutes proof of such
  notice.

Pursuant to Rule 3.2 (e), proof of compliance is to be filed within 20 days after compliance with the last of the foregoing subsections that is applicable (i.e., within 20 days of compliance with the Rule 3.2(d) bill insert notice, which was completed on May 11, 2014). Accordingly, this proof of compliance is being filed 1 day late. If necessary, SDG&E can file a separate motion seeking a ruling allowing for this late filing. Otherwise, SDG&E requests that this Proof of Compliance be accepted as filed.

Respectfully submitted,

By: \_\_\_\_/s/ John A. Pacheco
John A. Pacheco
Attorney for:
SAN DIEGO GAS & ELECTRIC COMPANY
101 Ash Street
San Diego, CA 92101
Telephone: (619) 699-5130

Facsimile: (619) 699-5027 E-mail: jpacheco@sempra.com

DATED this 1st day of June, 2016, at San Diego, California.

Respectfully submitted,

/s/ JOHN A. PACHECO
John A. Pacheco

Attorney for San Diego Gas & Electric Company 8330 Century Park Court, CP32 San Diego, CA 92123

Telephone: (858) 654-1761 Facsimile: (619) 699-5027 jpacheco@semprautilities.com

### Attachment A

#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the NOTICE OF AVAILABILITY OF THE APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) FOR APPROVAL OF ENERGY STORAGE AND ENERGY EFFICIENCY CONTRACTS ARISING FROM THE TRACK IV LOCAL CAPACITY REQUIREMENT ALL SOURCE REQUEST FOR OFFERS has been served on the cities, counties and government agencies as called out in Rule 3.2(b).

Dated at San Diego, California this 6th day of April 2016.

Billie Overturf

Application of San Diego Gas & Electric	)	
Company (U 902-E) for Approval of Energy	ĺ	
Storage and Energy Efficiency Contracts Arising	Ś	Application No. 16-03-014
from the Track IV Local Capacity Requirement Al	1	(Filed: March 30, 2016)
Source Request for Offers	1	(=

#### NOTICE OF AVAILABILITY

APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 e) FOR APPROVAL OF ENERGY STORAGE AND ENERGY EFFICIENCY CONTRACTS ARISING FROM THE TRACK IV LOCAL CAPACITY REQUIREMENT ALL SOURCE REQUEST FOR OFFERS

Pursuant to Rule 3.2(b) of the Commission's Rules of Practice and Procedure, San Diego Gas & Electric Company (U 902-E) ("SDG&E") hereby gives notice of the *Application of San Diego Gas & Electric for Approval of Energy Storage & Energy Efficiency Contracts Arising from the Track IV Local Capacity Requirement for All Source Request for Offers* with the Commission on March 30, 2016. This Application is asking for approval of energy storage ("ES") and energy efficiency ("EE") contracts resulting from its Track IV Local Capacity Requirement All Source Request for Offers. The retirement of the San Onofre Nuclear Generating Station ("SONGS") and the State Water Resources Control Board ("SWRCB") regulations requiring the mandatory retirement of once-through cooling ("OTC") resources in Southern California have created a need for new resources to meet SDG&E's local capacity requirement ("LCR"). Pursuant to the Commission's Track IV Decision (D.14-03-004), SDG&E is not required to fill its total authorized need until the end of 2021. The ES and EE contracts that are the subject of this Application fill a portion of this need and constitute a first step toward meeting the full requirement by the end of 2021. The total cost of the two contracts over their respective contract terms is approximately \$92 million (this does not include franchise fees and uncollectibles and excludes the cost of energy for the ES batteries).

Accordingly, SDG&E respectfully requests that the Commission approve the Track IV All Source RFO, SDG&E's conduct with respect to the Track IV All Source RFO, and the contracts selected through the Track IV All Source RFO process as prudent and reasonable. This application and related testimony can be found on the following link:

http://www.sdge.com/regulatory-filing/17416/sdge%E2%80%99s-track-iv-all-source-rfo-application.

All requests should be directed to:

Kellen Gill
Regulatory Case Administrator
San Diego Gas & Electric Company
8330 Century Park Court, CP32-D
San Diego, CA 92123
619-696-2972
Email: kgill@semprautilities.com

John A. Pacheco Attorney for San Diego Gas & Electric Company 8330 Century Park Court – CP32 San Diego, California 92123 Telephone: 858.654.1761

Telephone: 858.654.1761 Facsimile: 619.699-5027

Email: <u>JPacheco@semprautilities.com</u>

April 6, 2016

### Attachment B

#### California Newspaper Service Bureau®

Public Notice Advertising Since 1934 Tel 1-800-788-7840 PFax 1-800-540-1089 Local Offices and Representatives in: Los Angeles, Santa Ana, San Diego, Riverside/San Bernardino, San Francisco, Oakland, San Jose, Sacramento Special Services Available in Phoenix.

#### **DECLARATION**

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

#### THE SAN DIEGO UNION TRIBUNE

A newspaper of general circulation adjudicated for the City Oceanside and the City of Escondido, County of San Diego under the County Superior Court, Decree No.171349, for the County of San Diego

On the following dates:

#### **APRIL 12, 2016**

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

YOLANDA CORDOVA

CNS#2868063

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it

Rev. 1/2014 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012

Pera mas retailed hams at 1,800-31-73-43.

NOTICE OF SAN DIEGO GAS RESECTRIC COMPANY'S REQUEST.

TO INCREASE ELECTRIC RATES IN JUST FOR NEW ELECTRIC RESOURCE (LOCAL CAPACTIVE REQUIREMENTS)

(LOCAL CAPACTIVE REQUIREMENTS)

On March 30, 2018, San Diego Gas & Blechic Company (SIDGET\*) filed an application with the California Putific Utilities Commission (CPUC) for tapproved to increase relate for two long-filed contracts for new election resources. SIDGET is seeking inter long term contracts to meet lead to resources. SIDGET is seeking inter long term contracts to meet contracts to meet lead to resources. SIDGET is seeking from the refired San Opotion Niclear Commission Stations (SINGS). The proposed orbitates would provide new election resources including electric stations (SINGS) and energy elitibiancy (making more netecticity available by using lease electricity to provide the graphers earliers. Electric customers in SIDGETS services lenting would also receive grid (electric reswork Infrastructure) misability benefits for the duration of the contracts.

The hypical SDGAE willify hill includes charges for the cost of electricity and the cost to deliver. (transmission and distribution) electricity. This application requests cost recovery from all customers in SDGAE's service territory, even the customers who purchase electricity from all enother provider but pay SDGAE; to distribute the objective to the hor contracts were their respective contract terms is approximately \$92 million. The provided rate recovery amount excludes the cost of anergy for electric storings between the cost of anergy for electric storings between the cost of anergy for electric storings hallones, including the exclusion of the theory and the cost of anergy for electric storings between the cost of anergy for electric storings are considered as the cost of anealy for electric transmissions.

The chart shown below flustrates the Increase in rates that would result from GPUC approval of this application, compared to current rate levels.

#### ILLUSTRATIVE IMPACT ON ELECTRIC RAYES AND BILLS

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDGSEs application, a typical non-CARE (CARE is a low-income assistance program) residential customer Ming in the inhand climate zone and using 500 kilowalt-hours per month could see a morthly summer bill increases of 0.2%, or 30.17, from a current monthly bill of \$10.08 to \$10.25. The litustrative rate and bill impacts assume bolls contracts are in effect and provide a compension to current (1/12/18) rates.

The dollar amounts and premistages shown below are estimates and do not necessarily reflect time exact changes you may see in your bill, Changes in individual bills will depend on how much oneny each customer uses.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATEINCREASE.

Residential   22.442			•
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Rates effective 1/1/16 per Advice Letter (AL) 2840-E. 2081 stands for Commercial and Industrial,

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE [7343].

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kollan Gill, San Diego Gas & Electic Company, 8300 Century Park Court, San Diego, CA 92123. SIOSEE will provide a copy of this application upon request. SIOSEE application and attachments may be reviewed at the CPUC's Central Files Office by eppointment. For more information, please contact them et allocational sideoconce.com or (415) 703-2045. Acopy of this application may be reviewed at the following SDGSE buthess Offices:

436 H SL Chula Vista, CA 91910 2405 E. Plaza Bivd. National City, CA 91850

104 N. Johnson Ave. El Cajon, CA 92020 336 Euclid Ave. San Diego, CA 92114 844 W. Mission Ave. Escondido, CA 92025 2604-B S, El Cemino Real Carlsbed, CA 92008

The application and related exhibits are also available electronically on SDG&E's website at / www.sdga.com/nggdatory/cpuc.shiml.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at www.sdue.com/bilmsens/roguletory.shimi. · .

#### CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how treative evidence and other related documents, necessary for the CPID to establish a record upon which to base its decision. Evidentary bearings may be held where parties of record with presenting the subject to cross-exmination by other parties. These evidential hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judga will issue a proposed decision which may adopt 8DGAE's proposal, modify flor deny it. Any CPUC Commissions may sponsor an alternate orderion. The proposed decisions and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

any вкепным цесктом, win up cascussed and voice upon at a scheduled CPUL veling Meeting. As a party of record, the Office of Ratepayer Advicates (ORA), will make with a upplication DRA is the Independent consumer edvocate within, the CPUL-with a legislative mandate for represent investor-owned utility customers do obtain the CPUL-with a legislative mandate consistent with reliable and safety and service investor-owned utility in the CPUL-with a legislative mandate in economics, filmen, accounting and engineering for more information about ORA please call (4-19) 703-1384, until unagraphic.ca.gov.ov.visit ORA's website at www.ora.ca.gov.

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at http://subscribecauc.cpunc.ca.gov/.

Hypuwouldlikefoleamhewyoucanparticipaleintheproceeding have information ments, or have puestions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at http://consumers.cpuo.ce.gov/pag/. You may also contact the Public Advisor as follows:

Emall: public.advisor@cpuc.ca.gov

Møli:

CPUC Public Advisor's Offico 506 Van Ness Avénue San Francisco, CA 94102

1-866-849-8390 (toll-free) or 1-415-703-2074 TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please roference SDG&Fe Electric Resource Contracts - Local Capacity Requirement April No. A 16-03-014 in any continuolcations you have with the CPUC regarding title matter Air comments will become part of the public correspondence file for this proceeding and evaluable for roview for the assigned udge, the Commissioners, and appropriate CPUCs ties.



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Special Services Available in Phoenix.

#### **DECLARATION**

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

#### THE SAN DIEGO UNION TRIBUNE- NORTH COUNTY

A newspaper of general circulation adjudicated for the City Oceanside and the City of Escondido, County of San Diego under the County Superior Court, Decree No.171349, for the County of San Diego

On the following dates:

**APRIL 12, 2016** 

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

25th day of

April

2016

CNS#2868064

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by It'

YOLANDA CÓRDOVA

Rev. 1/2014 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012

#### Para mas detalles llame el 1-800-311-7343

NOTICE DE SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES IN 2818 FOR NEW ELECTRIC RESOURCE CONTRACTS (LOCAL CAPACITY REQUIREMENTS) APPLICATION NO. A.16-93-914

March 30, 2016, San Diego Gas & Electic Company (SDG&E\*) filed an application with the California Public lies Commission (CPUC) for approval to increase rates for two long-term contracts for new electic resources, 3E is seeking new long ferm contracts to meet local capacity needs in its electic service lenthories atomicing for selfied San Contro Nuclear Generaling Stations (SONSS). The proposed contracts would provide new electific surces including electific storage (batteries) and energy efficiency (making more electificity) very lenthories of the service terminary would also receive grid (electific short Infrastructure) reliability benefits for the duration of the contracts.

heavyor, interestication; interesting the control of the cost to deliver (transmission and classification) electricity. This application requests cost recovery from all customers in \$DIGRE's service territory, even the customers who purchase electricity from another provider but pay \$DIGRE to distribut the electricity to their host but sort of the two contracts over their respective control, error is approximately \$92 million. The provided rate recovery amount excludes the cost of energy for electric strange batteries. Please note that the total cost is based on forecasts and is likely to change prior to including the actual cast in electric rates.

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&Es application, a typical non-CARE (CARE is a low-income assistance program) realdential customer liking in the intend offende zone and using 600 radiovalt-hours per month could see a monthly summer till increase of 0.2%, or \$0.17; from a current monthly but of \$11.00 is \$11.00 is \$11.00 is illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2018) rates.

The dollar amounts and percantages shown below are estimates and do not pacessarily reflect the exac changes you may see in your bill. Changes in individual bills will depend on how much energy seel, customer uses

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATEINCREASE

Customer Class Residential Small Commercial Medium and Large C&I Agricultural Lighting	Current Class Average Rates 01/01/16* (#kWh) 22,442 22,322 18,826 16,421 18,682	Clase Average Rates Kellecting Froposed Increase Par Application (¢/kWh) 22,482 22,378 18,682 16,483 18,714	0,040 0,058 0,036 0,042 0,032	Rale increase (%) 0.18 0.25 0.19 0.26 0.17
Lighting System Total	20,366	20.405	0.039	0.19 .

<sup>1</sup> Rales effective 1/1/16 per Advice Latter (AL) 2840-E. <sup>2</sup>C8I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-200-411-SDBE (7347).

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing Gill, San Diego, GA 82133-SDG8E-will copy of this application upon request. SDG8E-will provide the application upon request. SDG8E-will provide the SPUC Files Office by appointment. For more information, please contact them at alligentiating sideconacces or of 2045 A copy of this application may be reviewed at the following SDG8E business offices:

104 N. Johnson Ave El Cejon, CA 92020 436 H SL Chula Vista, CA 91910 - 2604-B S El Camino Real Carisbao CA 92008 2405 E. Plaza Blvd. National City, CA 91950 336 Euclid Ave. San Diego, CA 92 (14

440 Baech St. San Diego, CA 92101

The application and related exhibits are also available electronically on SDG&E's website at throw, side, com/resultaton/selecabitml.

Copies of this bill trient will be aveilable for viewing and printing on the SDG&E website at www.adge.com/elilinserts/regulatory.shtml

CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to and other related documents, necessary for the CPUC to establish a record upon which to basa its de headings may be held where pacifies of record will present their lestingory and may be dystled to or plier parties. These evidentiary hearings one open to the public, but only those who are gentles of reco-

After considering all proposals and evidence presented during the formal hearing, process, the issigned subjects leave a proposed decision with may adopt SOGNE's proposal, modify it or dany it. Any CPUC Commissioner may separar an alternate decision. The proposed decision, and any atternate decisions, will be discussed and voted doors at a scheduled CPUC Voting Meeting.

in a sensuring OFCO young meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application, ORA is the interconsumer devocate within the CPUC with a legistative numerate to represent investor-owned utility customers
the lowest possible rate for service consistent with reliable and sario service levels, OFA has a multi-distolling
with expensive in exconeries, finance, accounting and engineering. For more information about OFA, please of
703-1584, email ora@cpuc.ca.gov or visit ORA's website at www.ors.ca.gov.

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CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

1-866-849-8390 (toll-free) or 1-415-703-2074 TTY 1-866-838-7825 (toll-free) or 1-415-703-5282

Please reference SDSAE's Electric Resource Contracts - Local Copacity Requirement Application No. A 18-03-014 in any communications you have with the CPUC regarding toles meter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judga, the Commissioners and appropriate CPUC staff.

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#### **DECLARATION**

I am a resident of Los Angeles County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

REGISTER

On the following dates:

April 12, 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Los Angeles, California, this

12th day of April 2016

2868062

Signature

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it"



#### Para mas detalles llame al 1-800-311-7343

# NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST----TO INCREASE ELECTRIC RATES IN 2016 FOR NEW ELECTRIC RESOURCE CONTRACTS (LOCAL CAPACITY REQUIREMENTS) APPLICATION NO. A. 16-03-014

On March 30, 2016, San Diego Gas & Electric Company (SDG&E\*) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for two long-term contracts for new electric resources, SDG&E is seeking new long term contracts to meet local capacity needs in its electric service territories stemming from the retired San Onofre Nuclear Generating Stations (SONGS). The proposed contracts would provide new electric resources including electric storage (batteries) and energy efficiency (making more electricity available by using less electricity to provide the same service). Electric customers in SDG&E's service territory would also receive grid (electric network infrastructure) reliability benefits for the duration of the contracts.

The typical SDG&E utility bill includes charges for the cost of electricity and the cost to deliver (transmission and distribution) electricity. This application requests cost recovery from all customers in SDG&E's service territory, even the customers who purchase electricity from another provider but pay SDG&E to distribute the electricity to their homes. The total cost of the two contracts over their respective contract terms is approximately \$92 million. The provided rate recovery amount excludes the cost of energy for electric storage batteries. Please note that the total cost is based on forecasts and is likely to change prior to including the actual cost in electric rates.

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

#### ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-CARE (CARE is a low-income assistance program) residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 0.2%, or \$0.17, from a current monthly bill of \$110.08 to \$110.25. The illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2016) rates.

The dollar amounts and percentages shown below are estimates and do not necessarily reflect the exact changes you may see in your bill. Changes in individual bills will depend on how much energy each

#### SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATEINCREASE

Customer Class	Current Class Average Rates 01/01/161 (¢/kWh)	Class Average Rates Reflecting Proposed Increase Per Application (¢/kWh)	Total Rate Increase (¢/kWh)	Percentage Rate Increase (%)
Residential	22,442	22.482 "	0.040	0.18
Small Commercial	22.322	22,378	0.056	0,25
Medium and Large C&I <sup>2</sup>	18.626	18.662	0.036	0.19
Agricultural	16.421	16.463	0.042	0.26
Lighting	18.682	18.714	0.032	0.17
System Total	20.366	20.405	0.039	0.19

<sup>&</sup>lt;sup>1</sup> Rates effective 1/1/16 per Advice Letter (AL) 2840-E. <sup>2</sup>C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE (7343).

#### FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at alicentralfilesId@cpuc.ca.gov or (415) 703-2045.A copy of this application may be reviewed at the following SDG&E business offices:

1.				V
436 H SI. Chula Vista, CA 91910			104 N. Johnson Ave: El Cajon, CA 92020	644 W. Mission Ave. Escondido, CA 92025
2405 E. Plaza Blvd. National City, CA 91950			336 Euclid Ave. San Diego, CA 92114	2604-B S. El Camino Real Carlsbad, CA 92008
440 Beech St. San Diego, CA 92101	٠	٠.	•	ī

The application and related exhibits are also available electronically on SDG&E's website at www.sdge.com/regulatory/cpuc.shtml.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at www.sdge.com/billinserts/regulatory.shtml.

#### **CPUC PROCESS**

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the Independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

#### STAY INFORMED

If you would like to follow this proceeding, or any other Issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <a href="http://subscribecpuc.cpuc.ca.gov/">http://subscribecpuc.cpuc.ca.gov/</a>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <a href="http://consumers.cpuc.ca.gov/pao/">http://consumers.cpuc.ca.gov/pao/</a>. You may also contact the Public Advisor as follows:

Email: public.advisor@cpuc.ca.gov

Mail: CPUC

Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

1-866-849-8390 (toll-free) or 1-415-703-2074 TTY 1-866-836-7825 (toll-free) or 1-415-703-5282 Call:

Please reference SDG&E's Electric Resource Contracts - Local Capacity Requirement Application No. A.16-03-014 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

CNS-2868062 CNS-2868062#

### Attachment C

#### DECLARATION

I, Mary Ann Tilos Schwartz, am a citizen of the United States residing in San Diego County, California, and am over the age of 18.

I am now, and at all times referred to below, have been employed by the

San Diego Gas & Electric Company as Senior Creative Services & Branding Advisor in

San Diego, California.

With regard to San Diego Gas & Electric Company's Application 16-03-014 before the California Public Utilities Commission, I was instructed to, and did supervise, the insertion and mailing of the Notices, attached hereto, to all known customers of the San Diego Gas & Electric Company other than "My Account Paperless" customers and other "Consolidated Accounts."

The insertion and mailing of the Notice to Customers of Proposed Changes commenced on Tuesday, April 12, 2016 with April Billing Cycle No. 7 and was completed on Thursday, May 11, 2016, with May Billing Cycle No. 6.

I declare under penalty of perjury that the foregoing is true and correct.

Mary Ann Tilos Schwartz

May 12, 2016 (Date)

#### Para mas detalles llame al 1-800-311-7343

#### NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES IN 2016 FOR NEW ELECTRIC RESOURCE CONTRACTS (LOCAL CAPACITY REQUIREMENTS) APPLICATION NO. 16-03-xxx

On March 30, 2016, San Diego Gas & Electric Company (SDG&E®) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for two long-term contracts for new electric resources. SDG&E is seeking new long term contracts to meet local capacity needs in its electric service territories stemming from the retired San Onofre Nuclear Generating Stations (SONGS). The proposed contracts would provide new electric resources including electric storage (batteries) and energy efficiency (making more electricity available by using less electricity to provide the same service). Electric customers in SDG&E's service territory would also receive grid (electric network infrastructure) reliability benefits for the duration of the contracts.

The typical SDG&E utility bill includes charges for the cost of electricity and the cost to deliver (transmission and distribution) electricity. This application requests cost recovery from all customers in SDG&E's service territory, even the customers who purchase electricity from another provider but pay SDG&E to distribute the electricity to their homes. The total cost of the two contracts over their respective contract terms is approximately \$92 million. The provided rate recovery amount excludes the cost of energy for electric storage batteries. Please note that the total cost is based on forecasts and is likely to change prior to including the actual cost in electric rates.

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

#### ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-CARE (CARE is a low-income assistance program) residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 0.2%, or \$0.17, from a current monthly bill of \$110.08 to \$110.25. The illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2016) rates. The dollar amounts and percentages shown below are estimates and do not necessarily reflect the exact changes you may see in your bill. Changes in individual bills will depend on how much energy each customer uses.

## SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATEINCREASE

Customer Class	Current Class Average Rates 01/01/16 <sup>1</sup> (¢/kWh)	Class Average Rates Reflecting Proposed Increase Per application (¢/kWh)	Total Rate Increase (¢/kWh)	Percentage Rate Increase (%)
Residential	22.442	22.482	0.040	0.18
Small Commercial	22.322	22.378	0.056	0.25
Medium and Large C&I <sup>2</sup>	18.626	18.662	0.036	0.19
Agricultural	16.421	16.463	0.042	0.26
Lighting	18.682	18.714	0.032	0.17
System Total	20.366	20.405	0.039	0.19

Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE (7343).

#### FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at <a href="mailto:aljcentralfilesid@cpuc.ca.gov">aljcentralfilesid@cpuc.ca.gov</a> or (415) 703-2045.A copy of this application may be reviewed at the following SDG&E business offices:

436 H St.	104 N. Johnson Ave.	644 W. Mission Ave.
Chula Vista, CA 91910	El Cajon, CA 92020	Escondido, CA 92025
2405 E. Plaza Blvd.	336 Euclid Ave.	2604 S. El Camino Real
National City, CA 91950	San Diego, CA 92114	Carlsbad, CA 92008

440 Beech St. San Diego, CA 92101

The application and related exhibits are also available electronically on SDG&E's website at <a href="https://www.sdge.com/regulatory/cpuc.shtml">www.sdge.com/regulatory/cpuc.shtml</a>.

Copies of this bill insert will be available for viewing and printing on the SDG&E website at <a href="https://www.sdge.com/billinserts/regulatory.shtml">www.sdge.com/billinserts/regulatory.shtml</a>.

<sup>&</sup>lt;sup>2</sup>C&I stands for Commercial and Industrial.

#### **CPUC PROCESS**

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

#### STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <a href="http://subscribecpuc.cpuc.ca.gov/">http://subscribecpuc.cpuc.ca.gov/</a>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <a href="http://consumers.cpuc.ca.gov/pao/">http://consumers.cpuc.ca.gov/pao/</a>. You may also contact the Public Advisor as follows:

Email: public.advisor@cpuc.ca.gov

Mail: CPUC

Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

Call: 1-866-849-8390 (toll-free) or 1-415-703-2074

TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's Electric Resource Contracts-Local Capacity Requirement Application No. 16-03-XXX in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.